

REQUEST FOR PROPOSALS

To Assess Demand for New Homes and Traditional Neighborhood Development in Midcoast Maine

Introduction

After decades of slow growth, the Midcoast area of Maine (Belfast and Rockland Labor Market Areas) is growing at a faster rate than in the past 20 years. With the growth come jobs, more traffic, more homes and subdivisions where once farms and forests stood.

Traffic on rural roads and numbered routes in the region is up. The 2000 U.S. Census indicates that the average time Maine people spend in their cars on the daily commute increased 30% in the past decade. The cost of housing is lurching higher, spurred lately by the shift in investment from stocks and bonds to real estate. The Camden/Rockport area has always been known for its high housing prices, but these two popular communities are no longer standouts in the region. Articles in the Belfast Republican and Down East Magazine this spring highlighted that housing in the City of Belfast and for the whole Belfast labor market is now *the most unaffordable in the state*.

Towns in the midcoast area are attempting to address the mixed blessing of growth in a number of ways. Local comprehensive plans adopted within the past 10 years speak of the need to relieve development pressure on the rural areas and encourage more efficient patterns of growth in locally designated “growth areas”. Recently, the Friends of Midcoast Maine held a series of well attended workshops on regional development trends and associated impacts at which area residents expressed strong interest in finding better ways to manage growth.

One pattern of development –the traditional neighborhood – was the prevalent development pattern in the midcoast area up until about 45 years ago. All the villages in the midcoast have traditional neighborhoods with homes on small lots, interconnected streets and sidewalks linking the quiet neighborhoods to civic buildings and commercial establishments within walking distance.

Creating new, walkable neighborhoods are of particular interest to two midcoast communities. The town of Rockport designated the West Rockport area as a “Traditional Village” zone with an eye to encouraging village development in this area. The City of Belfast is interested in exploring opportunities for encouraging new traditional neighborhoods within the City as a way of offering opportunities for growth and development served more efficiently by city services.

The purpose of this project is to estimate current demand in the midcoast area for new homes in traditional neighborhoods, including a range of housing prices and types.

The results are intended to be helpful to the State Planning Office and three major audiences:

A) The development lending community—Banks and other agencies and institutions active in financing residential and light commercial projects. It is intended that the results of this project will help answer questions these entities may have on demand in the midcoast area for the types of housing and mixed uses characterizing Great American Neighborhoods.

B) Municipal officials needing to know what needs and demands exist for this type of development in their community, and

C) Homebuilders, who are striving to meet new housing demands in the region.

Project Advisors: The State Planning Office will administer the project with advice from as many interested parties as possible. The Town of Rockport (Town Manager) and the City of Belfast (City Planner) have agreed to be principal partners in this project. Other project advisors will be sought to review and comment on the project at various stages in order to insure that the project and its analysis and conclusions are understood and useful to as many as possible, such as: local planners and boards, Realtors, lending institutions, homebuilders, land trusts, conservation and other interest groups, housing advocates and organizations, and community development groups.

Methods to be used:

Market Demand Analysis:

** Supply, demand and net absorption information on housing market demand in the Midcoast region, including but not limited to net numbers of each unit type at a range of price points for Rockport, Belfast, and the midcoast area. Absorption must be understood at realistic sales price points for the region.

** Price point information for homes normally provided in Great American Neighborhoods: rental apartments (market rate and subsidized); condominium flats; for sale town-row houses; single family homes at low, middle and upper price points and live/work units.

Homebuyer Survey:

** Conduct a survey of recent homebuyers and renters, fashioned after the State Planning Office Homebuyers Survey conducted in 1998. The consultant is expected to conduct the new survey in a manner that maximizes, to the greatest extent practicable, compatibility with the 1998 survey (including cluster analysis), while giving an accurate portrayal of demand for new homes in traditional neighborhoods in the midcoast region.

** The survey and results should accurately portray market characteristics for the midcoast region as a whole; Rockport, Belfast and Rockland in particular.

** Like the 1998 survey, it will focus on the demand for new homes on small lots in walkable, mixed use neighborhoods—neighborhoods that fit the description of Great American Neighborhoods (attached).

****The survey will cover recent homebuyers, and also cover, if the budget allows, homebuyers actively looking for a new home. The survey of recent homebuyers will include not only in-town and suburban homebuyers, but also homebuyers who purchased a home in a rural location but may have originally sought an in-town, walkable neighborhood location.**

**** The survey will cover and recognize both homebuyers relocating from within the study area as well as homebuyers from outside the study area.**

Note: Neither time nor budget will allow complete replication of the 1998 survey for the Midcoast region. Respondents should carefully describe their proposed methodology with careful attention as to how it will offer the State Planning Office with useful, comparable homebuyer analysis for this region.

Proposal Requirements: As part of the RFP process, SPO is interested in understanding how the contractor proposes to design and conduct the project. Specifically, all proposals must address the following factors:

1. The proposed methodology for designing, undertaking and analyzing the market demand analysis and survey and preparing the report.
2. The proposed number and timing of meetings and nature of input from SPO as well as advisors and key groups such as municipal boards and planners, Realtors, banks, Maine State Housing Authority, housing alliances, homebuilders, conservation groups, etc.
3. The proposed nature and timing of interim and final products, including an estimate of size and proposed format.
4. The experience of both the firm and individuals who will conduct the study process and prepare and conduct the survey, survey analysis and report, including identification of the project manager and any potential subcontractors. In particular, the proposal should identify any experience with the substantive topics of this study. In addition, the proposal should specify three references for contractors and three references each for any subcontractors, including contact name, telephone number, and a brief description of the work conducted.
5. A fixed price quotation, broken down for both market analysis and homeowner survey to show number of hours and hourly wages for contractors and subcontractors and any other direct costs, shall be presented for project components, at least for: a) background work and preliminary analysis and preparation of market demand analysis and survey; b) conducting surveys; c) preparation of preliminary analysis, tabulations, and preliminary draft report; d) preparation of revised analysis and final draft report; and e) preparation of camera ready copy of the final report. Total cost must not exceed \$19,500.
6. Examples of similar work (to be returned if requested) that also demonstrates skills and accomplishment in analysis and presentation in a report format.
7. The contractor should identify any problems it sees in meeting the project schedule outlined below, such as limited access to the targeted audience within the specified time frame, opportunity to compress further this schedule and the need to adjust timing or sequence in order to assure a quality product. SPO is willing to consider

modification or adjustment of the proposed project schedule, if necessary, so long as the final due date of December 31 remains unchanged.

Proposed Schedule:

Week of 9/16/02	Contractor interviews conducted
Week of 9/23/02	Contractor selected and contract signed
Week of 10/7/02	Contract encumbered. Contractor reviews previous survey work, prepares draft survey, submits draft to SPO by 10/18
Week of 10/21/02	SPO review draft survey
Week of 10/28/02	Contractor revises survey based on SPO comments
Weeks of 11/4 thru 11/25/02	Contractor conducts survey and conducts analysis – tabulations and preliminary cross tabulations and an initial draft report and submits to SPO for review and comment by 12/2.
Week of 12/2/02	SPO reviews draft analysis and requests any additional cross tabulations and/or analysis
Week of 12/16/02	Contractor provides to SPO additional requested cross tabs, analysis and final report.

All final products must be delivered by December 31, 2002

Submission Requirements

Five sealed copies of the proposal must be clearly marked “Proposal for Maine State Planning Office: “Midcoast Homebuyers Market Survey” and delivered to the Division of Purchases, Burton M. Cross Building, 4th Floor, State House Station 9, Augusta, ME 04333 before or no later than 2:00 pm local time on September 3, 2001. Please note that only proposals actually received at the Division of Purchases at the Burton M. Cross Building, 4th Floor, on or before the slated time will be considered. Bidders submitting proposals by mail are responsible for allowing adequate time for delivery. Proposals must be typed and pages must be printed back-to-back, as much as possible, and on recycled content paper.

SPO reserves the right to reject any and all bids or to accept other than the lowest bid submitted.

SPO Contact

All questions regarding the RFP should be directed to: John Del Vecchio
Maine State Planning Office
38 State House Station
Augusta, ME 04333
(207)287-8058 or
email:john.delvecchio@state.me.us

Because all questions must be answered in writing at least seven days before September 3, 2002, please contact SPO with questions about this project no later than August 26, 2002.

Contract Requirements

The successful bidder will be required to enter into a Standard State of Maine Contract for Special Services (BP54), a copy of which is attached.

Proposal Evaluation

SPO will use the following guidelines when reviewing and ranking proposals:

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| I. Description of the study methodology to be used -- design, thoroughness, type and quality of product. | 35 points |
| II. Understanding of markets and homebuyer preferences as they relate to the elements of traditional neighborhood design and community development issues; writing accomplishments | 10 points |
| III. Demonstrated familiarity and experience with homebuyer studies; experience in conducting similar study processes. | 15 points |
| IV. Qualifications of person(s) assigned to the project | 15 points |
| V. Bid Price | 25 points |

End